

Special ESG survey

February 2021

In this newsletter you will find the results of our members survey from November 2020. The theme of the survey was "ESG investing", or in other words "sustainable investing". You can read at the top right of this newsletter what the letters ESG stand for; you can find our approach in this area below the image.

The main goal of the survey was to gain insight into the attitudes and preferences of our members. The online survey included seven questions about sustainable investing.

More than 80% think that ESG investing is positive for people and the environment

The reactions to our ESG approach (see the column on the right) are positive. To the question "Do you think this approach has a positive effect on people and the environment?" we received these answers:

	Active members	Retired members
Yes	86%	77%
No	3%	9%
Other/no opinion	11%	14%

People are therefore optimistic about the effect of our approach. Members of Unilever are also considerably more positive about the possible influence of their own pension fund than members of other funds (46% on average).

The majority of active members think that ESG investing will yield more in the long term

The belief of most of our active* members is that ESG investing will yield more returns in the long run:

Yes. I also think it will yield more.	68%
I think it will not make a difference moneywise. At most, it will benefit people and the environment.	23%
No. I think that the investment returns will be lower if you take people and the environment into account.	4%
Other / no opinion	5%

* This question was only asked of active members.



- ✓ **Environment**
Energy efficiency, recycling and policy to prevent environmental pollution
- ✓ **Social = social policy**
Dealing properly with staff, offering security and social engagement
- ✓ **Governance = good management**
A balanced representation of a company's stakeholders



Sustainable investing This is how we achieve it:

- 1 We integrate ESG considerations into all our investment decisions.
- 2 We enter into dialogue with companies that act against the fundamental principles of our sustainable investment policy.
- 3 We use our voting rights during shareholder meetings of companies in which we invest. If we vote against a motion from a company, we will explain this and put forward constructive solutions.
- 4 We exclude investments in a company (or government) if the above steps do not lead to improvement.
- 5 We invest in specifically sustainable investments, so-called impact investments.

Preference of members: investment in medicines, sustainable agriculture and new energy

Type of investments

We invest part of the pension contributions paid by Unilever employees and the employer in companies. We select these companies in a careful manner. We asked the participants in the survey what kind of companies and sectors we should and should not invest in.



Medicines, sustainable agriculture and new energy



Are preferred by the members

This is in line with our current focus areas: health & hygiene, sustainable agriculture and climate & environment.



Nuclear power plants



Opinions are strongly divided on this (about half for and half against)

At the moment we do not exclude nuclear power plants.



Tobacco and arms industry



For the vast majority of members these are out of the question

Based on four criteria we exclude direct investments in these categories.

Sustainable Development Goals (SDG's) of the United Nations



In our investments we can take into account the 16 so-called SDGs. We asked the members which three they consider most important:

Top 3 | active members

- 1 Effects of climate change
- 2 Healthcare for all
- 3 Good education

Top 3 | retired members

- 1 Good education
- 2 Healthcare for everyone
- 3 Peace, security and justice

Many respondents indicated that it was almost impossible to make a choice, because all 16 goals are actually (equally) important. We also consider all goals important. At the same time, we believe we can achieve more by focusing on a limited number of goals.

In addition to our general ESG principles, we have therefore selected three focus areas for our investment portfolio. These are: health & hygiene, sustainable agriculture and climate & environment. For this selection, we looked towards the Unilever Sustainable Living Plan (USLP).



Examples and results impact investments

Unilever Pension Fund contributes to a better world

Part of our capital — almost 3% in 2020, some € 170 million —, we invest in specifically sustainable investments. We do this through so-called “impact investment funds” that have been set up especially for Unilever pension funds. Through these funds we invest, for example, in the following companies:

CONVOY

optimises the logistics chain to transport goods with artificial intelligence.
Result: a very steep reduction in CO₂ emissions.

Embodied

designs robots that help, in particular children, build social-emotional skills. The first version named Moxie is now on the market.

LUMINAR

improves the safety of self-driving vehicles with the so-called LIDAR technology.

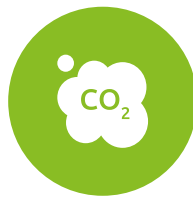
Examples of the impact of the Unilever Pension Fund since 2018



Assistance to
3,716
patients



Production of
38,571 MWh
clean energy



CO₂ reduction
equal to the annual
emissions of
2,523 homes

Interesting facts

- Unilever employees and pensioners describe themselves on average as quite environmentally conscious. One thing stands out: the younger you are, the more environmentally conscious you consider yourself to be.
- Compared to similar surveys of other pension funds, our respondents feel more involved than average in the topic of investing and sustainable investing.
- Members say that they are not very aware of our investment policy and our investment results. A relatively large group even indicated that they were completely unaware of this.

Does the latter also apply to you?

Then take a look at (the Dutch part of) our website! We publish new information there every quarter, including:

- ✓ Returns on investment
- ✓ Top 25 investments per category
- ✓ List of companies and governments that we exclude
- ✓ Reports of, for example, our voting behaviour during shareholders' meetings of companies in which we invest



unileverpensionfondsen.nl/Forward
> Beleggen



Collection of responses

We received a surprising number of responses (**over 500!**) in the comment boxes in the survey. This gave us even more insight into what is important to our members. We are very pleased with this, thank you.

For example, we received a large number of positive comments about the survey and our policy. However, a few were concerned about what COVID-19 means for their retirement or indicated that the current situation affected their responses.

Some comments appeared several times. These are the most striking:

”

It is very difficult to choose only 3 out of all those 16 SDG goals. It is like supporting charities with your money: it feels inhumane to make a choice

”

”

By influencing company policy work is not only carried out for the benefit of my financial pension, but also ensures that the world will still be a pleasant place to retire in the future. ”

”

We need to be the change we want to see in the world!

”

”

Just like Unilever, our pension fund could take the lead when it comes to sustainability. Even though it is a small fund, the Unilever name means that it has the social clout to persuade other funds also towards a sustainable course.

”

Thank you for your participation!

Of the 11,500 pensioners, **2,400** received an invitation to participate in the survey. **613** of you did this.

For each completed questionnaire, we donated € 2.50 to UNICEF. In total **€ 1,532.50!**

unicef 

Raffle of four office bikes

All **2,400** Unilever employees received the questionnaire. **533** of you have completed the questionnaire in full.

Among them, **four office bikes** were raffled off. The lucky winners are:

Pieter Gudden, Juliette van Haaster, Hannelore Nieuwstraten (photo) and Anke Renkens.



On the way to sustainable communication!

We have been working on a large-scale digitisation project for a while. We are expected to launch our new online portal **'Mijn Pensioen'** in mid-2021. This gives us the opportunity to communicate digitally - i.e. becoming paperless. Not only is it more environmentally friendly but we will also be able to provide better and more frequent information about new developments in the ESG field.



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